



Zambia National Child Project under the GEF Africa Minigrids Program

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10841

Countries

Zambia

Project Name

Zambia National Child Project under the GEF Africa Minigrids Program

Agencies

UNDP

Date received by PM

8/31/2022

Review completed by PM

12/9/2022

Program Manager

Patricia Marcos Huidobro

Focal Area

Climate Change

Project Type

PIF

CEO Endorsement

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request
10/6/2022 PM:

Yes.

Agency Response

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request
12/9162022 PM:

No. With many thanks for the clarification provided below, please address the following comment on the PMC:

- The co-financing contribution to PMC is not proportionate compared with the GEF contribution to PMC. If the GEF contribution is kept at 10%, for a co-financing of \$12,500,000 the expected contribution to PMC must be around \$1,250,000 instead of \$1,050,000 (which is 8.4%). As the costs associated with the project management have to be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC

might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion.

10/6/2022 PM:

No. Please address the following comments:

- In Table B add the number of the components;

- Other AMP national projects have included the following Output under Component 1 "Support provided to establish the environmental and social policies and plans to ensure mini-grids risks are properly handled". We understand this is a standard AMP output. Please clarify how this has been considered/incorporated in the Zambia child project.

Agency Response

Response:

Comment 2:

Other AMP national projects have included the following Output under Component 1 "Support provided to establish the environmental and social policies and plans to ensure mini-grids risks are properly handled". We understand this is a standard AMP output. Please clarify how this has been considered/incorporated in the Zambia child project.

Response:

The Output "Support provided to establish the environmental and social policies and plans to ensure mini-grids risks are properly handled" is indeed one of the standardized outputs in the Africa Minigrid Program but it is not an Output that is expected to be included in all AMP projects. Depending on the national context, this Output may or may not be relevant for a particular country. In Zambia, the country has advanced in recent years with setting up mini-grid-specific regulatory framework, focusing on licensing, economic, environmental and technical requirements. The framework was developed by the Electricity Regulation Board (approved in 2020). The new framework allows differentiating regarding permits, technical requirements and tariff-setting. Environmental impact studies are mandatory in most cases but can be simplified for small-scale projects. For more details: see Annex G.2 in the UNDP ProDoc. The existing framework also covers land-use, cultural, water use and social issues. The Zambia AMP project therefore does not need to support the development of a framework for the establishment of environmental and social policies and therefore does not include this standard Output in the project. The project rather captures (through Zambia's Off-Grid Task Force) to learn from experiences in MG implementation for possible amendments to plans and MG framework as included in Output 1.1.

Comment A) 12/16/2022:

With many thanks for the clarification provided below, please address the following comment on the PMC:

- The co-financing contribution to PMC is not proportionate compared with the GEF contribution to PMC. If the GEF contribution is kept at 10%, for a co-financing of \$12,500,000 the expected contribution to PMC must be around \$1,250,000 instead of \$1,050,000 (which is 8.4%). As the costs associated with the project management have to be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please amend either by increasing the co-financing portion and/or by reducing the GEF portion.

Response:

co-financing contribution to PMC has been adjusted to \$1,250,000.

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

12/16/2022 PM:

No. With many thanks for elaborate further on how the investment mobilized was identified, please address the following comment:

- UNDP \$100,000 grant: change ?Recurrent expenditures? to ?Investment mobilized?.

10/6/2022 PM:

No. Although co-financing sources, amount and type have been adequately documented, please elaborate further **how "Investment Mobilized" was identified and explain main changes from PIF/PFD. Particularly, since that co-financing amount has been significantly reduced from PIF/PFD to CEO Endorsement stage, i.e. from 53 million to \$13.5 million .**

Agency Response

Response:

As the PIF/PFD for the Zambia AMP project indicated, the 53 mln\$ co-finance was indicative and mainly based on the assumption of co-funding leveraged through the AfDB GCF project ?Zambia Renewable Energy Financing Framework?. While the PIF/PFD referred to the component on promoting small-scale, renewable and decentralized energy project development in the AfDB GCF project, during the development of the CEO Endorsement request, it was noted that this component covers 4 mln\$ out of the total AfDB GCF project budget of 50 mln\$. Thus the CEO Endorsement request lists 4mln\$ of the AfDB GCF project as co-funding (instead of original 50 mln\$) while in addition, co-funding was identified of new partners such as the Rural Electrification Authority, the Zambia Cooperative Federation and the Development Bank of Zambia.

The investment mobilized, i.e. co-financing investment (INV) has been identified by linking activities in ongoing and planned minigrid/off-grid activities of REA, DBZ and ZCF that are associated with the Project. For REA, the co-fin is based on estimation of REA's regular budget expected minimum annual expenditure on minigrid investment during 2023-2026 (USD 2 million). ZCF co-financing is based on the replication (USD 3.6 million) in solar mills of the refurbishment/expansion in the pilot mills (Output 2.1) proposed to be supported by the Project. For DBZ, USD 1.5 million of the DBZ-WB Off-grid loan facility is considered co-fin that can potentially be made available for loans to mini grid developers if they request and meet the participating bank's due diligence.

See also section 4.3.2 in the UNDP Project Document, an additional footnote has been added to its Box 23 for further clarification.

Comment B 12/16/2022:

With many thanks for elaborate further on how the investment mobilized was identified, please address the following comment:

- UNDP \$100,000 grant: change ?Recurrent expenditures? to ?Investment mobilized?

Response:

Done

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request
12/16/2022 PM:

No. The status of utilization of PPG is presented per output (formulation of the project document, report delivery of final outputs, etc.) instead of expenditure categories (i.e. meetings, consultants, etc.). Please update the table by reorganizing the costs per categories.

10/6/2022 PM:

Yes. All PPG resources have been either spent or committed.

Agency Response

Response:

PPG Table has been adjusted.

Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request
12/9/2022 PM:

Cleared.

10/6/2022 PM:

Yes, with suggestions. Please provide an explanation on the main differences in the total number of beneficiaries, estimated at 11,745 at PIF/PDF stage and down to 4,396 at CEO Endorsement stage.

Agency Response

Response:

The differences in indicators/targets between PIF stage and CEO Endorsement stage are explained in Annex H of the UNDP Project Document, section H4 ?Differences with respect to PIF Targets?.

Specifically with regard to beneficiaries, please see the following text ? **People served per kW of installed capacity.** Assumptions on the number of people served by each minigrid have been revised downward with respect to PIF stage. At PIF phase each of the project?s minigrid systems was assumed to have 10 kW of installed solar capacity and serve a population of 100 households or 500 people per minigrid. This resulted in an implicit

assumption at PIF phase of 50 people served per kW of installed capacity. At CEO ER stage, the assumption is that each greenfield minigrid will serve 10 people per kW of installed capacity while the PUE Overlay minigrids will serve 3.4.?

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

12/9/2022 PM:

Cleared, with suggestions. Thank you for the clarification. On point B below, it is now clear that the project will not be supporting diesel-hybrid mini-grids. As such, we were wondering whether the language could be refined and unified across the CEO Endorsement Request by replacing low-carbon mini-grids by renewable energy mini-grids.

10/6/2022 PM:

No. Please address the following comments:

- From the proposed alternative scenario description, it is not clear how many and what type of pilots are expected to be implemented, i.e. greenfield, hybrid, etc. Please clarify whether this has been identified at PPG stage. If not, please explain why. If yes, please provide further description on the selected options. How many grid connections are expected? Please elaborate further on this in the CEO Endorsement document.
- In case the project is supporting extension of existing diesel grids, i.e. hybrid mini-grids, please explain this further in the CEO Endorsement. If not, we suggest to modify the title of the project as well as the narrative of the document to replace low-carbon mini-grids by renewable energy mini-grid. If the project is supporting hybridization with the main grid, under the risk section provide a mechanism to avoid further development of diesel systems.
- Please provide a mechanism to ensure the deployed mini-grid will be used for lifetime (20 years) including governance structure as well as a table explaining ownership and mini-grids operation. Elaborate further on how the project will ensure replacing batteries and converters as well as O&M of the whole system during the lifetime.
- Innovative financial solutions are proposed under Component 3. This is very much welcome, but further reference shall be included to local banks as potential financiers, and how they will be engaged further with the proposed project.

Agency Response

Response:

A) A description of the approach to pilots is given in Box 19 of the Project Document, with further supporting info in Annex H (GHG methodology) and Annex G (illustrative business models) of the UNDP Project Document. Box 19 has been copied into the CEO ER document as Exhibit 5.

In short, the final specifications and approach to minigrid pilots will be decided during project implementation, as part of the minigrids pilot plan that will be developed in year 1 of the project under output 2.1. Nonetheless, the prodoc already sets out a number of categories and principles for these pilots, and includes calculations for the purposes of targets/connections in Annex H.

B) There are no diesel-hybrid mini-grids. The title of the Zambia Child project nor the CER document is referring to 'low-carbon minigrids' therefore no adjustment of title or narrative is suggested. Only Greenfield renewable energy minigrids (no diesel involved) and productive use overlay (on existing solar mill projects) are foreseen.

C) The ownership-operation models for the minigrids are explained in detail as part of Component 2 of the UNDP Project Document, Section 4.1, pages 30-32. While the final approach to the minigrids pilots will be determined in year 1, ensuring financial sustainability for the entirety of the asset minigrid asset lifetime will be a central objective. The Projects will be implemented following the 'principles' laid down in Box 15 of the UNDP Project Document (on page 32). To make this fully clear, this has been articulated as a new principle #6 in Box 15 'Key principles for minigrid pilots' in the prodoc, and referenced in several places in the CEO ER.

The language for the new principle is as follows: *'Principle 6. Financial sustainability. The business and delivery models of the pilots will be determined during project implementation as part of the minigrid pilot plan. A core principle to be upheld will be to that all business models ensure the full financial sustainability of the minigrid pilot for the entirety of its asset lifetime, including the maintenance and replacement of key equipment such as batteries and inverters. These financial sustainability considerations will be evaluated, and must be in place, before the provision of any GEF INV to a minigrid pilot.'*

D) Banks will be engaged through the DBZ (Development Bank of Zambia), which is one of the Zambia MG project's confirmed co-financiers. DBZ operates an 'off-grid facility' funding window to support mini-grid (and off-grid) energy infrastructure development by private entities and loans are made available through participating local commercial banks that have entered an agreement with DBZ. The developers involved in Zambia MG's pilots can ask debt financing support (if needed) through this facility. The DBZ facility has been added in Box 22 of the UNDP Project Document and in Exhibit 7 in the CER doc (on page 32). The idea is to entice selected commercial banks to enter in the off-grid market. Some banks have expressed interest (e.g., Stanbic and Zanaco) provided there is minimum portfolio size. One 'innovation' would be to have lending in other sectors (e.g. agricultural production) synergized with the productive uses (irrigation, agroprocessing, other) of the renewable energy (RE) minigrid to be developed. Another player in the financial sector is the Zambian National Pension Scheme Authority (partner in the before-mentioned AfDB-GCF project).

Comment D) 12/16/2022:

Cleared, with suggestions. Thank you for the clarification. On point B below, it is now clear that the project will not be supporting diesel-hybrid mini-grids. As such, we were wondering whether the language could be refined and unified across the CEO Endorsement Request by replacing low-carbon mini-grids by renewable energy mini-grids.

Response:

All references to low-carbon mini-grids have been replaced by renewable energy mini-grids

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request
10/6/2022 PM:

Yes.

Agency Response
Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request
10/6/2022 PM:

Yes.

Agency Response
Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request
12/9/2022 PM:

Cleared.

10/6/2022 PM:

No. A detailed stakeholders engagement plan has been provided as an Annex to the ProDoc. However, please address the following comments:

- Provide information on when the stakeholders consultations during the PPG phase took place, how and which stakeholders were consulted. If available, please provide the minutes of the consultation. All this info shall be included in the CEO Endorsement document.
- Local banks and financiers are missing in the list of stakeholders identified. Likewise, it is not clear whether the project is expected to benefit or impact any indigenous or minority peoples and local communities. If so, please identified the correspond communities and associations which represent them.

Agency Response

Response:

A) A table with relevant consultations has been included in the ProDoc in the Stakeholder Engagement Annex K and in the CER document under Section 2 Exhibit 8 on page 33.

B) Local banks have been added in the Stakeholder list table. In the context of Zambia, discussion of indigenous or minority people have not been identified as relevant to the project (see SESP in Annex L of ProDoc). There are about nine ethno-linguistics group, divided in over 70 tribes, but none of them considered a special minority group as such.

Gender Equality and Women's Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request

12/16/2022 PM:

No. It is well noted that a gender analysis and action plan is attached as a project supporting document. However, please provide in the portal section on gender equality a summary on of the gender analysis and action plan. In addition, the project could consider strengthening gender dimensions in project component 1 (Policy and regulation) and 4 (Digital and Knowledge Management). Also the project should consider gender dimensions to improve women's participation and decision making.

10/6/2022 PM:

Yes.

Agency Response

Comment E) 12/16/2022:

It is well noted that a gender analysis and action plan is attached as a project supporting document. However, please provide in the portal section on gender equality a summary on of the gender analysis and action plan. In addition, the project could consider strengthening gender dimensions in project component 1 (Policy and regulation) and 4 (Digital and Knowledge Management). Also the project should consider gender dimensions to improve women?s participation and decision making.

Response:

We have included some paragraphs in English explaining the Gender Assessment and Action Plan. We have added mentions of gender-related actions and strategies in the ProDoc under appropriate components (blue highlights).

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

12/9/2022 PM:

Cleared.

10/6/2022 PM:

No. Please address the following comments:

- Disposal of solar panels. The proposal shall include an explanation and risk mitigation measures for the safely disposal and/or recycling of solar panels. This point shall be linked to the sustainability section of the CEO Endorsement document, since by ensuring a correct disposal of solar panels we are contributing to the overall sustainability of the project.

- Please describe the project's risk mitigation strategy to avoid the use of forced labor in the supply chain of the solar panels to be imported.

- Regarding the risk and impact due to COVID-19, more detailed work should be done per the following three questions:

1. General: Describe briefly how the pandemic overall is addressed in the project, including associated impacts, risks and opportunities. Projects are required to identify and establish likely impacts and risks from COVID-19, and how they will be dealt with in the context of delivering global environment benefits and climate adaptation and resilience benefits;

2. Risk analysis: Please consider any risks and measures to deal with the risks that are caused by COVID-19 and post-COVID-19. These risks include (1) availability of Technical Expertise and Capacity and Changes in Timelines in the selected provinces; and (2) any expected financing from the government and co-financing from all stakeholders. Please describe further how risks from COVID-19 have been analyzed and mitigation strategies incorporated into the design of this project.

3. Opportunity analysis: Describe further how the project has identified potential opportunities to mitigate impacts (if any) caused by COVID-19 to deliver GEBs and/or climate adaptation and resilience benefits, and contribute toward green recovery and building back better.

Agency Response

Response:

A) UNDP's Social and Environmental Screening Procedure (SESP) addresses risks related to disposal of solar panels specifically under Risk 14 (Generation of hazardous waste (specifically e-waste) from the pilot minigrids that have been installed. This will be further documented in the ESIA that will be undertaken for targeted locations. Under the SESP Risk 8, reference is made to battery and e-waste. The SESP therefore requires that pilot minigrids (Output 2.1) will each undergo a scoped ESIA that includes looking at battery and e-waste. Mitigation measures will then be adopted as described in the pursuant site-specific ESMP. Details of this process can be found in the ESMF (Annex O, available as separate file). A reference to the ESMF has been added in the sustainability section of the CEO ER.

B)

The issue of alleged forced labor concern two areas of AMP national projects, including this Zambia project.
- Area 1: with regard to AMP national projects? GEF INV support, together with co-financing, into minigrid pilot investments. These pilots will directly procure PV materials.

- Area 2: with regard to AMP's general support to develop and grow minigrid markets, via policies and capacity building etc., which may then result in the general expanded use of PV materials.

The mechanism with which AMP will address alleged forced labor risks is via UNDP's safeguards policies and architecture.

- All AMP national projects have flagged standard #7 (S7), on labor, in their safeguard screening as an area of risk. This is the entry point via which risks of alleged forced labor will be addressed during implementation.

- AMP's safeguards framework (ESMF) document requires that during implementation each national project and pilot develop various safeguards documents, including safeguard assessments and plans (ESIAs, ESMPs) which further elaborate the approach to identified risks. For example, to ensure compliance with S7, the ESIAs and ESMPs are required to include written labor management procedures (LMPs) that will address these issues.

For issues related to AMP national projects' investment in minigrid pilots (Area 1), UNDP envisages mitigation measures against possible forced labor issues related to: (a) enhanced due diligence in minigrid developer's procurement exercises and contracting, including (i) supplier self-declarations and codes of conduct for employees related to supply chain inputs and (ii) legal clauses certifying/representing against forced labor; and (b) development of a monitoring framework for identified risk areas regarding labor issues over the course of project implementation, with accompanying monitoring indicators and methodology, including record keeping pertaining to solar PV modules.

For issues related to general market support (Area 2), UNDP envisages that the AMP's regional and national projects can play an important role in the general market on awareness-raising, signalling and capacity-building with regard to safeguards measures on possible forced labor issues in the PV value chain. In particular, the AMP regional project's components on knowledge products and communities of practice will be explored as mechanisms to disseminate knowledge tools and good practice on these matters. Further, the AMP regional project will track developments and best practices in addressing this risk, including on a comprehensive solution around supply chain traceability and appropriate verification mechanisms, and share them with national projects.

C) The COVID risk is discussed in the Risk table, additional text was added to further strengthen the narrative. On a national level, resurgence of COVID or a new pandemic may cause supply chain delays or disruptions, while impeding global economic recovery that will stifle demand for copper (Zambia's main export product). Thus, together with the impact of the Russia-Ukraine conflict, this brought Zambia in difficult financial positions. A deal to restructure the foreign debt is likely, helped by the recovery in international demand and copper prices. The expected reduction in COVID-19 cases worldwide will boost activity both in mining (as demand for products increase) and tourism.

The risk of the continued impact of the COVID-19 pandemic on project implementation progress is currently considered moderate as globally the pandemic is subsiding. Nonetheless, new variants may come up leading to new waves of COVID-19 infections. In such cases, a contingency plan will be made by bringing some activities forward as possible, and with online meetings. The COVID-19 pandemic limits social interaction and restricts community activities. This situation may hinder proposed project activities, such as beneficiary needs and impact surveys, the design and installation of the project-supported minigrid pilots as well as the organization of stakeholder and capacity-building promotional events. The economic impact of COVID-19 may shift investment priorities of the individual, government, and companies towards preventing uncertainties. In Zambia, a strong reform program was introduced to restore macroeconomic stability and promote a private sector-led economic recovery from the COVID-19 crisis. The AMP project may be able to benefit from the support programme in access to finance by private sector developers for minigrid development.

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request
10/6/2022 PM:

Yes.

Agency Response
Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request
10/6/2022 PM:

Yes.

Agency Response
Knowledge Management

Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request
10/6/2022 PM:

Yes.

Agency Response
Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

12/16/2022 PM:

No. With many thanks for addressing the comment below please review the formatting of the budget table which has several overlaps. Also, please fill out the column ?Responsible Partner?.

10/6/2022 PM:

No. As per the project's budget, it seems the Project Manager (PM) is also conducting technical activities in addition to managerial ones. If this is the case, please clarify this in the CEO Endorsement and provide an updated ToR for the PM outlining both the technical and the managerial responsibilities.

Agency Response

Response:

This is confirmed and clarified in the CEO Endorsement on page 41, in accordance with the description of Budget Note 2A in the project budget (section 9 in UNDP ProDoc) and ToR in Annex I.

Comment F) 12/16/2022:

With many thanks for addressing the comment below please review the formatting of the budget table which has several overlaps. Also, please fill out the column 'Responsible Partner'.

Response:

Corrected

Project Results Framework

Secretariat Comment at CEO Endorsement Request

12/9/2022 PM:

Yes, with suggestions. The project Results Framework Table is off the margins ? please as amend, otherwise the autogenerated portal view will not be readable when the project is circulated/posted.

10/6/2022 PM:

Yes, with comments. In the project results framework, please include in parenthesis a comment that Indicators 1 and 2 corresponds to GEF's Core Indicators 6 and 11 respectively. Also, the results framework is off margins, please fix it.

Agency Response

Response:

Corrected

Comment G) 12/16/2022:

The project Results Framework Table is off the margins ? please as amend, otherwise the autogenerated portal view will not be readable when the project is circulated/posted.

Response:

Corrected

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request

12/9/2022 PM:

Cleared.

10/6/2022 PM:

No. Please address STAP comments provided at the PFD stage, in particular:

1. The proposal presents an adequate list of stakeholders. However, the diesel generator industry is quite widespread in Africa and the project proponents need to consider how to ensure that they do not hinder project success. The project also need to consider incentives for alternative livelihoods for people involved in diesel generator industry.
2. What are the backups to prevent diesel generators from still being frequently used?

Agency Response

Response:

1. As explained in the ProDoc Annex G on the baseline situation, in Zambia only a few diesel minigrids were developed in the past with currently only 2 diesel powered minigrids still in operation. These 2 diesel minigrids, operated by ZESCO, are being phased out. Diesel generators may be used as back-up power supply by households that are connected to the grid (about 3% of grid-connected households) and companies in the existing national grid but on-grid technologies are not the subject of this report, which focusses on off-grid only. The lack of diesel in off-grid contexts is primarily because of the simple but severe logistical challenges associated with supplying remote communities with diesel. Therefore, the baseline situation in Zambia is considered to have negligible spread of diesel minigrids and is not considered a factor that can hinder project success.

2. Diesel generators are not used for minigrad electrification in Zambia, in fact, these are not used for village- or town-level electrification on a noticeable scale

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes. All PPG resources have been either spent or committed.

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

Yes.

Agency Response

Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

10/6/2022 PM:

N/A.

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

**Secretariat Comment at CEO Endorsement Request
12/16/2022 PM:**

No. Please address comments above.

10/6/2022 PM:

No. Please address comments above.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations